



Sen. Donne E. Trotter

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LRB094 10743 MKM 46600 a

1 AMENDMENT TO HOUSE BILL 2509

2 AMENDMENT NO. _____. Amend House Bill 2509 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 Hospital Basic Services Preservation Act.

6 Section 5. Definitions. As used in this Act:

7 "Basic services" means emergency room and obstetrical
8 services provided within a hospital. "Basic services" is
9 limited to the emergency and obstetric units and services
10 provided by those units.

11 "Eligible expenses" means expenses for expanding
12 obstetrical or emergency units, updating equipment, repairing
13 essential equipment, and purchasing new equipment that will
14 increase the quality of basic services provided. "Eligible
15 expenses" does not include expenses related to cosmetic
16 upgrades, staff expansion or salary, or structural expansion of
17 any unit or department of a hospital.

18 "Essential community hospital provider" means a facility
19 meeting criteria established by rule by the State Treasurer.

20 Section 7. Hospital Basic Services Review Board.

21 (a) The Hospital Basic Services Review Board is created for
22 the purpose of reviewing and recommending to the State
23 Treasurer essential community hospitals seeking

1 collateralization of basic service loans for eligible expenses
2 related to completing, attaining, or upgrading basic services.

3 (b) The Board shall consist of 5 members as follows: one
4 member appointed by the Governor; one member appointed by the
5 Speaker of the House of Representatives; one member appointed
6 by the President of the Senate; one member appointed by the
7 Minority Leader of the House of Representatives; and one member
8 appointed by the Minority Leader of the Senate. The members of
9 the Board shall serve at the pleasure of their appointing
10 authorities. Vacancies shall be filled in the same manner as
11 the original appointment.

12 (c) The Department of Public Health shall provide staff
13 assistance to the Board as is reasonably required in order for
14 the Board to carry out its responsibilities.

15 Section 10. Hospital Basic Services Preservation Fund.
16 There is created in the State treasury the Hospital Basic
17 Services Preservation Fund. The Fund shall be administered by
18 the State Treasurer to collateralize loans from financial
19 institutions for capital projects necessary to maintain
20 certain basic services required for the efficient and effective
21 operation of essential community hospital providers who
22 otherwise may not be able to meet financial institution credit
23 standards for issuance of a standard commercial loan. The Fund
24 shall consist of all public and private moneys donated or
25 transferred to the Fund for the purpose of enabling essential
26 community hospitals to continue to provide basic quality health
27 care services that are subject to and meet standards of need
28 under the Health Facilities Planning Act. All public funds
29 deposited into the Fund shall be subject to appropriation by
30 the General Assembly.

31 Section 15. Basic services loans.

32 (a) Essential community hospitals seeking

1 collateralization of loans under this Act must apply to the
2 Illinois Health Facilities Planning Board on a form prescribed
3 by the Illinois Health Facilities Planning Board by rule. The
4 Illinois Health Facilities Planning Board shall review the
5 application and, if it approves the applicant's plan, shall
6 forward the application and its approval to the Hospital Basic
7 Services Review Board.

8 (b) Upon receipt of the applicant's application and
9 approval from the Illinois Health Facilities Planning Board,
10 the Hospital Basic Services Review Board shall request from the
11 applicant and the applicant shall submit to the Hospital Basic
12 Services Review Board all of the following information:

13 (1) A copy of the hospital's last audited financial
14 statement.

15 (2) The percentage of the hospital's patients each year
16 who are Medicaid patients.

17 (3) The percentage of the hospital's patients each year
18 who are Medicare patients.

19 (4) The percentage of the hospital's patients each year
20 who are uninsured.

21 (5) The percentage of services provided by the hospital
22 each year for which the hospital expected payment but for
23 which no payment was received.

24 (6) Any other information required by the Hospital
25 Basic Services Review Board by rule.

26 The Hospital Basic Services Review Board shall review the
27 applicant's original application, the approval of the Illinois
28 Health Facilities Planning Board, and the information provided
29 by the applicant to the Hospital Basic Services Review Board
30 under this Section and make a recommendation to the State
31 Treasurer to accept or deny the application.

32 (c) If the Hospital Basic Services Review Board recommends
33 that the application be accepted, the State Treasurer may
34 collateralize the applicant's basic service loan for eligible

1 expenses related to completing, attaining, or upgrading basic
2 services, including, but not limited to, delivery,
3 installation, staff training, and other eligible expenses as
4 defined by the State Treasurer by rule. The total cost for any
5 one project to be undertaken by the applicants shall not exceed
6 \$10,000,000 and the amount of each basic services loan
7 collateralized under this Act shall not exceed \$5,000,000.
8 Expenditures related to basic service loans shall not exceed
9 the amount available in the Fund necessary to collateralize the
10 loans. The terms of any basic services loan collateralized
11 under this Act must be approved by the State Treasurer in
12 accordance with standards established by the State Treasurer by
13 rule.

14 Section 20. Responsibility of hospitals. Each hospital
15 that receives a loan collateralized under this Act shall take
16 the necessary measures, as defined by the State Treasurer by
17 rule, to account for all moneys and to ensure that they are
18 spent on the basic services for which the loan was approved.
19 Any hospital receiving a loan collateralized under this Act is
20 not eligible for collateralization of another basic services
21 loan under this Act within 10 years after the deposit of funds
22 awarded under the first collateralized loan.

23 Section 25. Rules. The State Treasurer shall promulgate
24 rules necessary for the administration of this Act.

25 Section 90. The State Finance Act is amended by adding
26 Section 5.640 and by changing Section 8h as follows:

27 (30 ILCS 105/5.640 new)

28 Sec. 5.640. The Hospital Basic Services Preservation Fund.

29 (30 ILCS 105/8h)

1 Sec. 8h. Transfers to General Revenue Fund.

2 (a) Except as provided in subsection (b), notwithstanding
3 any other State law to the contrary, the Governor may, through
4 June 30, 2007, from time to time direct the State Treasurer and
5 Comptroller to transfer a specified sum from any fund held by
6 the State Treasurer to the General Revenue Fund in order to
7 help defray the State's operating costs for the fiscal year.
8 The total transfer under this Section from any fund in any
9 fiscal year shall not exceed the lesser of (i) 8% of the
10 revenues to be deposited into the fund during that fiscal year
11 or (ii) an amount that leaves a remaining fund balance of 25%
12 of the July 1 fund balance of that fiscal year. In fiscal year
13 2005 only, prior to calculating the July 1, 2004 final
14 balances, the Governor may calculate and direct the State
15 Treasurer with the Comptroller to transfer additional amounts
16 determined by applying the formula authorized in Public Act
17 93-839 to the funds balances on July 1, 2003. No transfer may
18 be made from a fund under this Section that would have the
19 effect of reducing the available balance in the fund to an
20 amount less than the amount remaining unexpended and unreserved
21 from the total appropriation from that fund estimated to be
22 expended for that fiscal year. This Section does not apply to
23 any funds that are restricted by federal law to a specific use,
24 to any funds in the Motor Fuel Tax Fund, the Hospital Provider
25 Fund, the Medicaid Provider Relief Fund, ~~or~~ the Reviewing Court
26 Alternative Dispute Resolution Fund, or the Hospital Basic
27 Services Preservation Fund, or to any funds to which subsection
28 (f) of Section 20-40 of the Nursing and Advanced Practice
29 Nursing Act applies. Notwithstanding any other provision of
30 this Section, for fiscal year 2004, the total transfer under
31 this Section from the Road Fund or the State Construction
32 Account Fund shall not exceed the lesser of (i) 5% of the
33 revenues to be deposited into the fund during that fiscal year
34 or (ii) 25% of the beginning balance in the fund. For fiscal

1 year 2005 through fiscal year 2007, no amounts may be
2 transferred under this Section from the Road Fund, the State
3 Construction Account Fund, the Criminal Justice Information
4 Systems Trust Fund, the Wireless Service Emergency Fund, or the
5 Mandatory Arbitration Fund.

6 In determining the available balance in a fund, the
7 Governor may include receipts, transfers into the fund, and
8 other resources anticipated to be available in the fund in that
9 fiscal year.

10 The State Treasurer and Comptroller shall transfer the
11 amounts designated under this Section as soon as may be
12 practicable after receiving the direction to transfer from the
13 Governor.

14 (b) This Section does not apply to any fund established
15 under the Community Senior Services and Resources Act.

16 (Source: P.A. 93-32, eff. 6-20-03; 93-659, eff. 2-3-04; 93-674,
17 eff. 6-10-04; 93-714, eff. 7-12-04; 93-801, eff. 7-22-04;
18 93-839, eff. 7-30-04; 93-1054, eff. 11-18-04; 93-1067, eff.
19 1-15-05.)".